

## LIMITATIONS AND INSPECTION

The State of California reserves the right to reject any and all offers and waive any informality or irregularity in any offer or to accept any offer deemed in the best interest of the State.

The sale of this property is subject to all matters of public record and any easements, claim of easements or reservations not of record. The Department of Transportation does not assume any liability for possible encumbrances on this property. Prospective bidders should consult local title companies if more complete information regarding the title of the property is required.

Interested parties, upon request and with written permission, may inspect the property and conduct core or soil sample tests.

This sale of property is exempt from C.E.Q.A. The environmental determination by Caltrans for the sale of this property does not mean that the buyer may not have to obtain subsequent environmental clearance or prepare an environmental document as required by any local agency. Buyer should be aware that if buyer seeks some form of approval or permit for development subsequent to buyer's purchase of this excess property, the local agency might require an environmental document and/or environmental analysis before giving its approval or permit.

The real property which is the subject of this sale may be situated within a Special Studies Zone as so designated under the Alquist-Priolo Special Studies Zones Act, Sections 2621-2625, inclusive, of the California Public Resources Code. As such, approval of any future construction or development of any structure for human occupancy on this property may be subject to the findings contained in a geologic report prepared by a geologist registered in the State of California.

The Department of Transportation makes no representations on this subject, and any Prospective Bidder should make HIS/HER own inquiry or investigation into the potential effects of this Act on this property.

# TERMS OF OPTION TO PURCHASE

**CASH TERMS:** THIS TRANSACTION WILL BE FOR ALL CASH.

**DEPOSIT:** All bidders must present, at the time of auction, either **CASHIER'S CHECK or MONEY ORDER** made payable to the State of California Department of Transportation in the amount of the **required option deposit (\$40,000.00)**. **Personal checks will not be accepted.**

**NOTE:** If the purchase price is more than \$100,000, bidder agrees to deposit the difference, if any, between the initial bid deposit stated in the sales notice (\$40,000.00) and any amount representing **10%** of the actual bid, within **10-working days (August 30, 2006)** of the sale.

**OPTION PERIOD:** The option deposit will be consideration for the option period, the length of which is specified on page 1 of this notice (90 Days). The option period shall commence on the first day following the date of sale (August 17, 2006)). The balance of the purchase price shall be paid on or before expiration of the option period (November 15, 2006)

There may be situations wherein the option holder is unable to complete the Terms of Option within the time allowed for reasons beyond his/her control. Under these circumstances, the State, at its discretion, may elect to extend the option period. **A charge of 1% of the bid price per month will normally be made for such extensions.** This charge **shall not** be applied toward the purchase price.

**FORFEITURE OF DEPOSIT:** The option deposit and any additional extension deposit shall be nonrefundable in the event that the successful bidder fails to exercise the option within the option period or fails to comply with any and all terms of the option as herein provided.

**OPTION AGREEMENT:** Immediately after the auction the successful high bidder shall sign an Option to Purchase Agreement, either for cash or credit terms, and said Option to Purchase Form shall become the Option Agreement and the successful bidder shall be bound to the terms specified in the Notice of Sale and Option to Purchase Form.

**SECOND HIGH BID:** In the event that the high bidder fails to exercise his/her option within the option period or defaults in completion of the sale, the State may, at its discretion, offer the option to the Second Highest Bidder. If the second high bidder accepts the option, the deposit requirement and terms of option to purchase shall be the same as stated in this notice of sale except that the option period shall commence on the day the option is awarded by the State to the second high bidder.

## LIMITING CONDITIONS:

(1) The sale under this option is subject to the approval of the California Transportation Commission. Any assignments under this contract must be made prior thereto. If the sale is not approved, the option deposit money will be refunded without interest. The successful bidder may take possession when the Director's Deed is recorded.

(2) When the sale is approved by the California Transportation Commission and the successful bidder elects to exercise the option; the option deposit will be credited toward the bid purchase price.

(3) The State reserves the right to reject any and all bids and to cancel the sale, in part or in its entirety, any time prior to the approval of the sale by the California Transportation Commission. In the event of cancellation of sale and/or rejection of any bids, the respective deposits of money shall be refunded without interest.

(4) An agreement between two or more prospective bidders to set their bid price or not to submit bids against each other, with the purpose of purchasing this parcel or other parcels at a more advantageous price or terms, is prohibited. Where such agreements come to the knowledge of the Department of Transportation, any bids made pursuant to such an agreement will be disqualified.

(5) The right, title and interest in the property to be sold shall not exceed that vested in the State of California, and this sale is subject to all title exceptions and reservations whether or not of record. The successful bidder may obtain a policy of Title Insurance at their own expense.

*(6) The property is sold in an "AS IS" condition. The successful bidder agrees that, as of the close of escrow, it will be acquiring the property in an "AS IS" condition with all faults and conditions then existing on the property, including any hazardous substances or hazardous wastes that may be located on, under, or around the property, whether known or unknown, and successful bidder assumes all responsibilities for such faults and conditions.*

(7) The successful bidder shall pay all recording fees, documentary stamp taxes or other real estate transaction taxes or fees by whatever name known, including escrow fees or brokers commission, if any, and personal property sales taxes where applicable.

(8) Should the successful bidder desire a survey of the property, this may be accomplished by an independent survey at the bidder's expense. No warranty is made by the Department of Transportation relative to the ground locations or property lines other than monumented highway right of way lines.

(9) The successful bidder shall be responsible for checking and complying with local building codes and ordinances. All properties are sold in an "as is" condition. See local Planning Department for permitted land uses.

(10) All Caltrans employees may bid to acquire excess State property except employees who have direct access to information not generally available to the public or who influence the purchase or sale or right of way or other real property.

All additional deposit payments must be made by **CASHIER'S CHECK or MONEY ORDER** payable to the order of **State of California Department of Transportation** and mailed to State of California Department of Transportation, P.O. Box 23440, Oakland, CA 94623-0440, Attention: **GLORIA CRISOSTOMO, Excess Land, Mail Station 11.**